

Proposed Dues Increase

REGIONAL COUNCIL ATTACHMENT #4.1.5

Thursday, March 6, 2003

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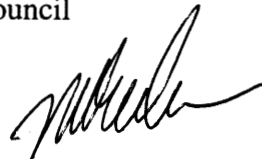
REPORT

DATE: March 6, 2003

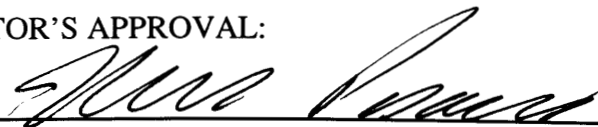
TO: Administration Committee/Regional Council

FROM: Bert Becker, Chief Financial Officer
(213) 236-1960, becker@scag.ca.gov

SUBJECT: Proposed FY 2003-2004 General Fund Budget



EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION:

It is recommended that the FY 2003-2004 General Fund Budget be approved and transmitted to the General Assembly.

BACKGROUND:

The General Fund Budget for FY 2004 is respectfully submitted for your approval. Your approval is required before it is presented to the General Assembly pursuant to the By-Laws of the Association.

FY 2003-2004 GENERAL FUND BUDGET

The General Fund (GF) is the only financial resource for working capital, support for your Regional Council and Committee meetings, travel, RC meeting stipends, and the Annual General Assembly and Retreat. It also supports our Federal and State lobbying costs, interest on our line of credit and rapid pay fees to Caltrans, capital acquisitions, and all legal fees, which are not otherwise allowable to be charged to grant funds by Federal and State administrative rules.

The proposed FY 2004 GF revenue budget is \$1,608,039 compared to last year's budget of \$1,491,200, a net increase of \$116,839. The new member dues assessment for FY 2004 is \$1,234,200 compared to the \$1,154,200 budget in FY 2003. The annual dues are calculated using last year's base and increasing that total by 10%, which is being proposed for approval by the RC.

The proposed FY 2004 GF expenditure budget is \$1,190,000 compared to last year's budget of \$1,334,000, a net decrease of \$144,000.

The FY 2004 GF budget includes an increase in reserves of \$418,039. The increase is primarily due to the depreciation recovery of \$341,339. This amount is reported as revenue to the GF, and returns the amount of the actual resources used by the GF, as the assets are depreciated. The proposed 10% increase in the annual dues assessment and an anticipated decrease in legal fees are the additional reasons for the increase in the General Fund Reserves.

D. Salcido - 02/26/03
Proposed FY 2003-2004 General Fund Budget
DOCS#81945



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS

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Fiscal Impact

The proposed General Fund Budget for FY 2004 will allow for an increase in working capital reserves of \$418,039.

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
GENERAL FUND BUDGET
PROPOSED FOR THE YEAR ENDING JUNE 30, 2004
(COMPARED TO FY2002-03 APPROVED BUDGET)

	(A) APPROVED BUDGET FY2002-03	(B) PROJECTED ACTUAL FY2002-03	(C) PROPOSED BUDGET FY2003-04	(C) - (A) INCREASE (DECREASE)
REVENUE:				
Membership Dues				
Counties	\$ 223,800	\$ 224,656	\$ 247,100	\$ 23,300
Cities	935,400	907,436	1,020,600	85,200
Commissions	25,000	15,000	16,500	(8,500)
	1,184,200	1,147,092	1,284,200	100,000
Less: Provision for unpaid dues	(30,000)		(50,000)	(20,000)
Subtotal	1,154,200	1,147,092	1,234,200	80,000
All other revenues:				
Insurance Recovery of legal fees	252,000	-	-	(252,000)
Capital outlay recovery (Note 1&2)	45,000	440,300	341,339	296,339
Interest & Other Income	40,000	32,500	32,500	(7,500)
Subtotal	337,000	472,800	373,839	36,839
TOTAL REVENUES	\$ 1,491,200	\$ 1,619,892	\$ 1,608,039	\$ 116,839
EXPENDITURES:				
RC Member Stipends	\$ 125,000	\$ 127,500	\$ 130,000	5,000
RC Special Projects	127,673	20,000	132,300	4,627
RC AMPO Officer Expenses	4,692	4,692	3,200	(1,492)
RC NARC Officer Expenses	7,635	7,635	4,500	(3,135)
RC Meetings	20,000	20,000	20,000	-
RC Travel	20,000	10,000	20,000	-
RC Retreat	15,000	15,000	15,000	-
RC General Assembly	15,000	15,000	15,000	-
Subtotal	335,000	219,827	340,000	5,000
External Legislative	280,000	280,000	280,000	-
Internal Legislative	40,000	10,000	40,000	-
Capital outlay	25,000	25,000	25,000	-
Interest on Bank Line of Credit	150,000	160,000	160,000	10,000
Fees paid to Caltrans	100,000	135,000	135,000	35,000
Legal Fees - Litigation	450,000	55,000	200,000	(250,000)
Program adjustments	10,000	10,000	10,000	-
Subtotal	1,055,000	675,000	850,000	(205,000)
Subtotal	1,390,000	894,827	1,190,000	(200,000)
(Transfers) to Other funds	(56,000)	-	-	56,000
TOTAL EXPENDITURES	1,334,000	894,827	1,190,000	(144,000)
CHANGE IN GF RESERVES	157,200	725,065	418,039	260,839
TOTAL EXP AND RESERVES	\$ 1,491,200	\$ 1,619,892	\$ 1,608,039	\$ 116,839

Note 1. This amount is reported as revenue to the GF, and returns the amount of the actual resources used by the GF, as the assets are depreciated over the life of the assets.

Note 2. The FY01-02 financial audit is not completed at this time and could have an impact on GF resources.